

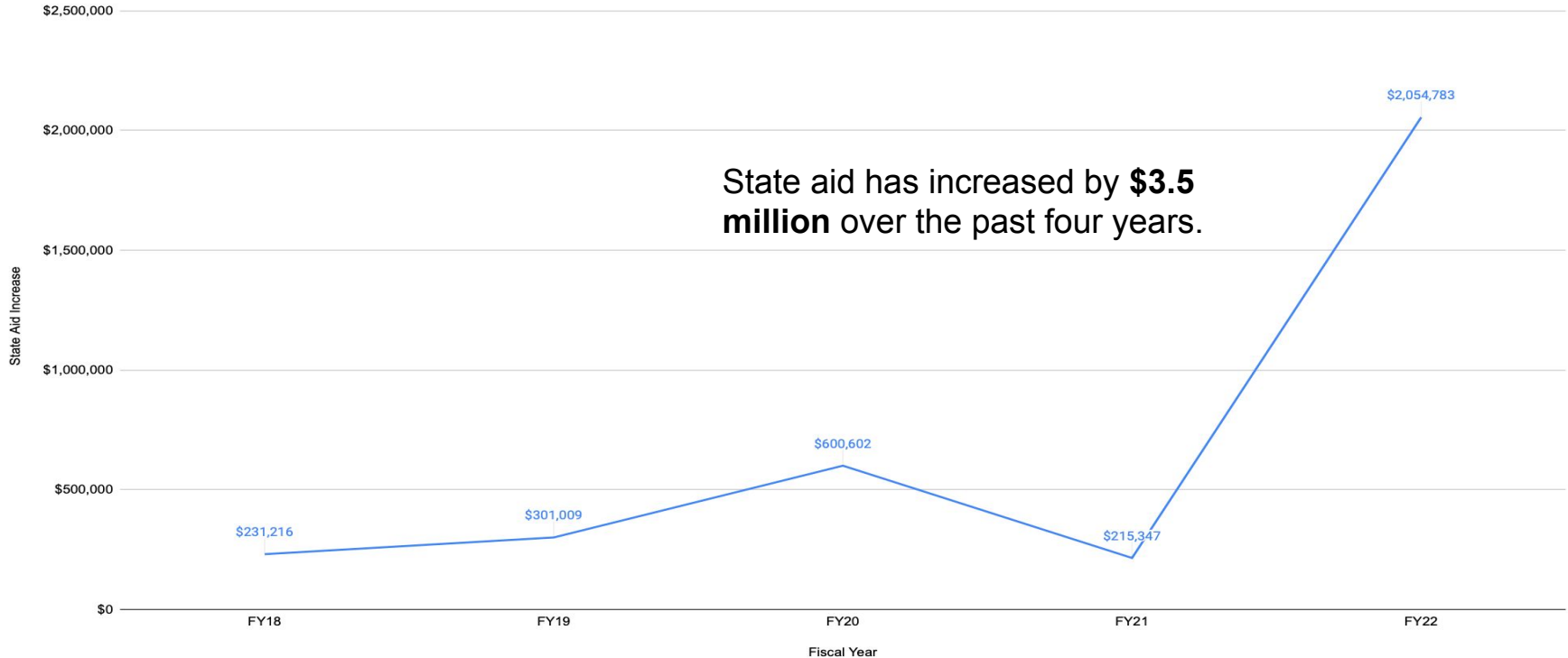
2021-22 Budget Planning

Newton Public Schools - March 9, 2021



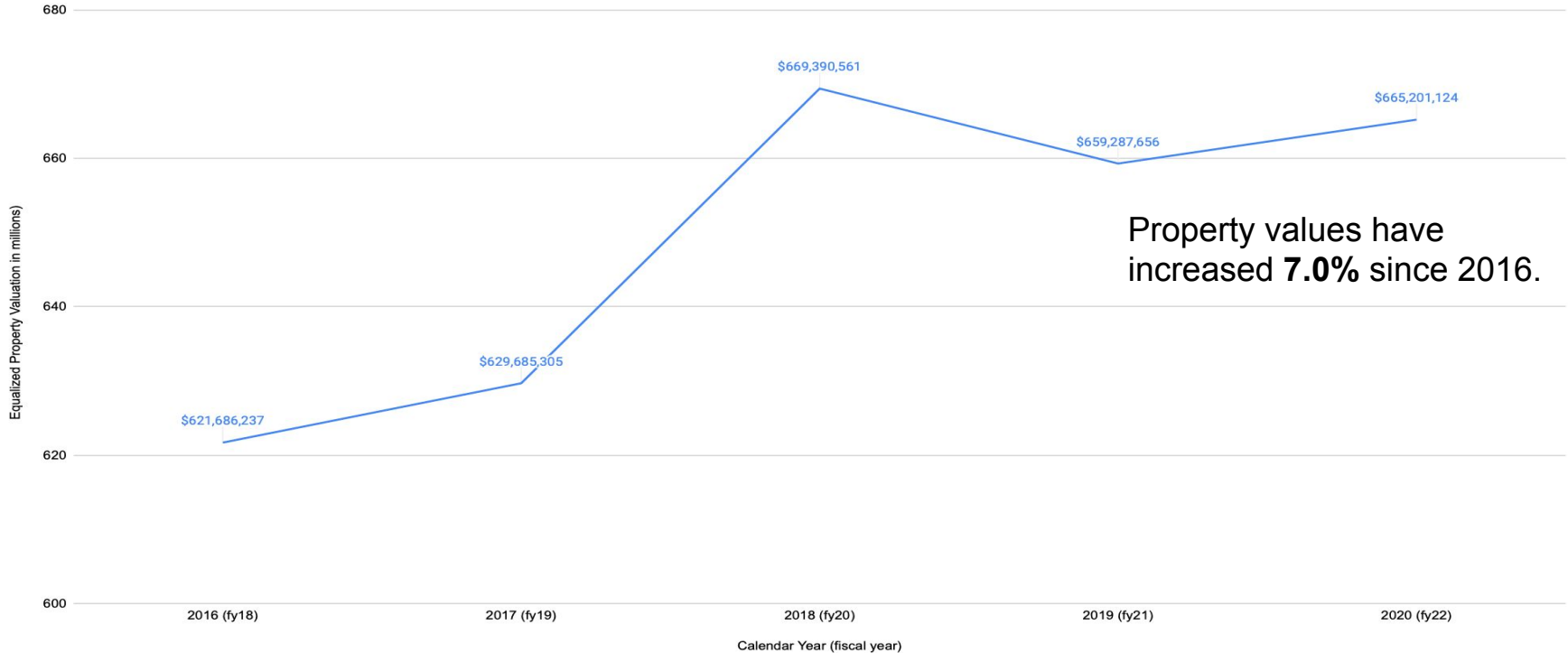
State Aid Has Increased Due To Our Advocacy

State Aid Increase vs. Fiscal Year



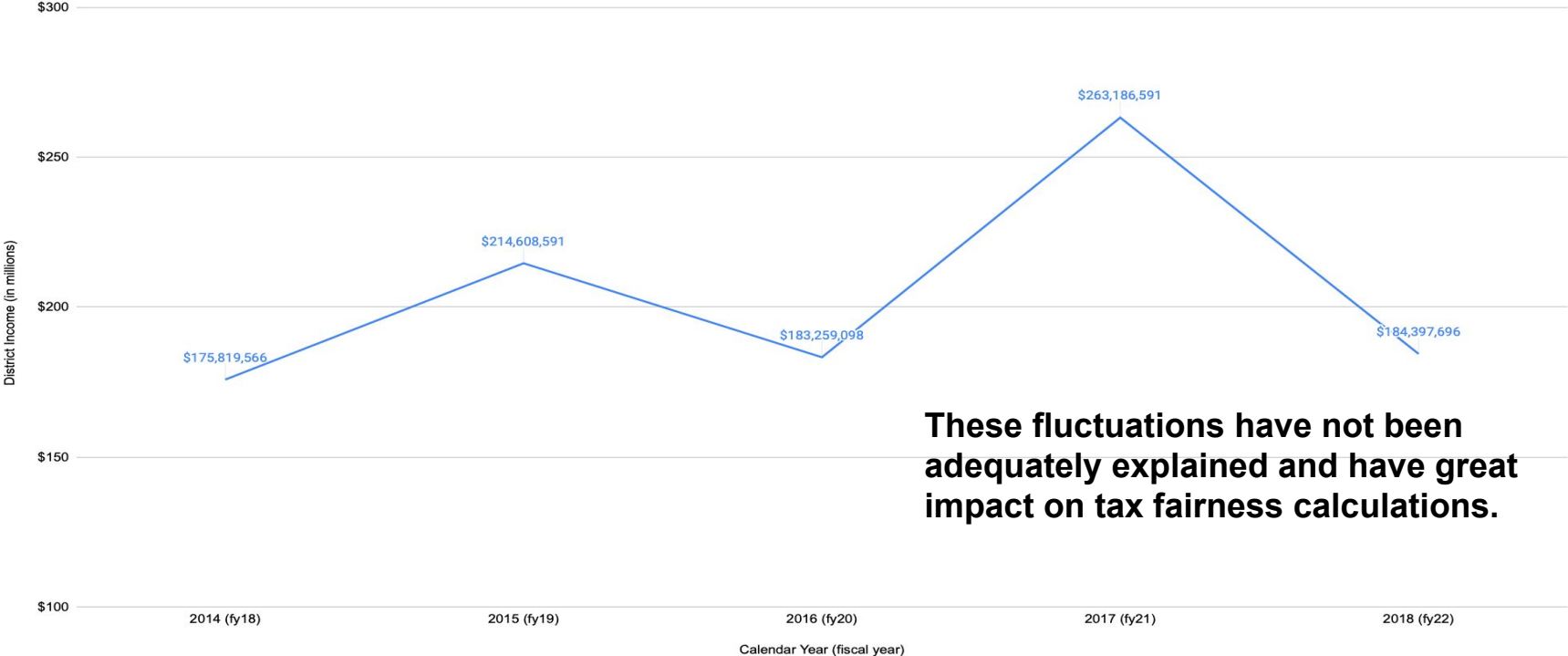
Property Values Have Grown Steadily

Equalized Property Valuation vs. Calendar Year (fiscal year)



District Income Fluctuates

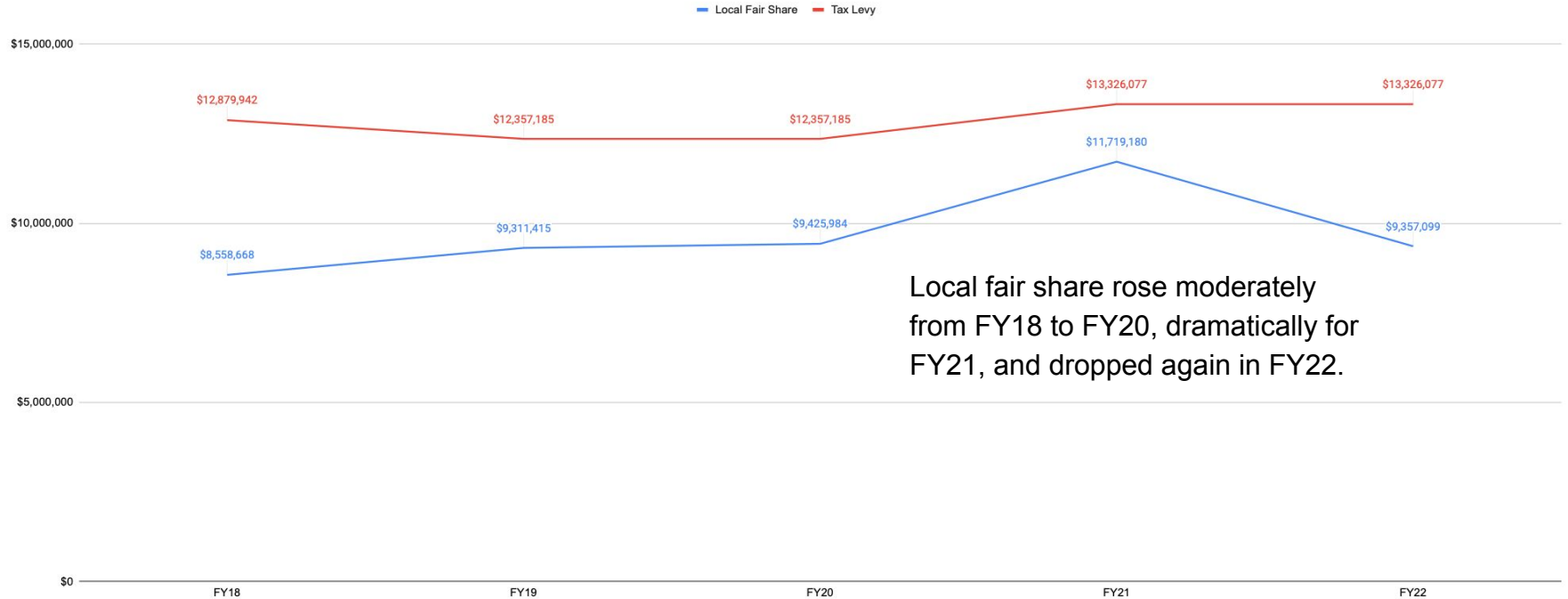
District Income vs. Calendar Year (fiscal year)



These fluctuations have not been adequately explained and have great impact on tax fairness calculations.

School Tax Levy Gap Responds to Income Drop

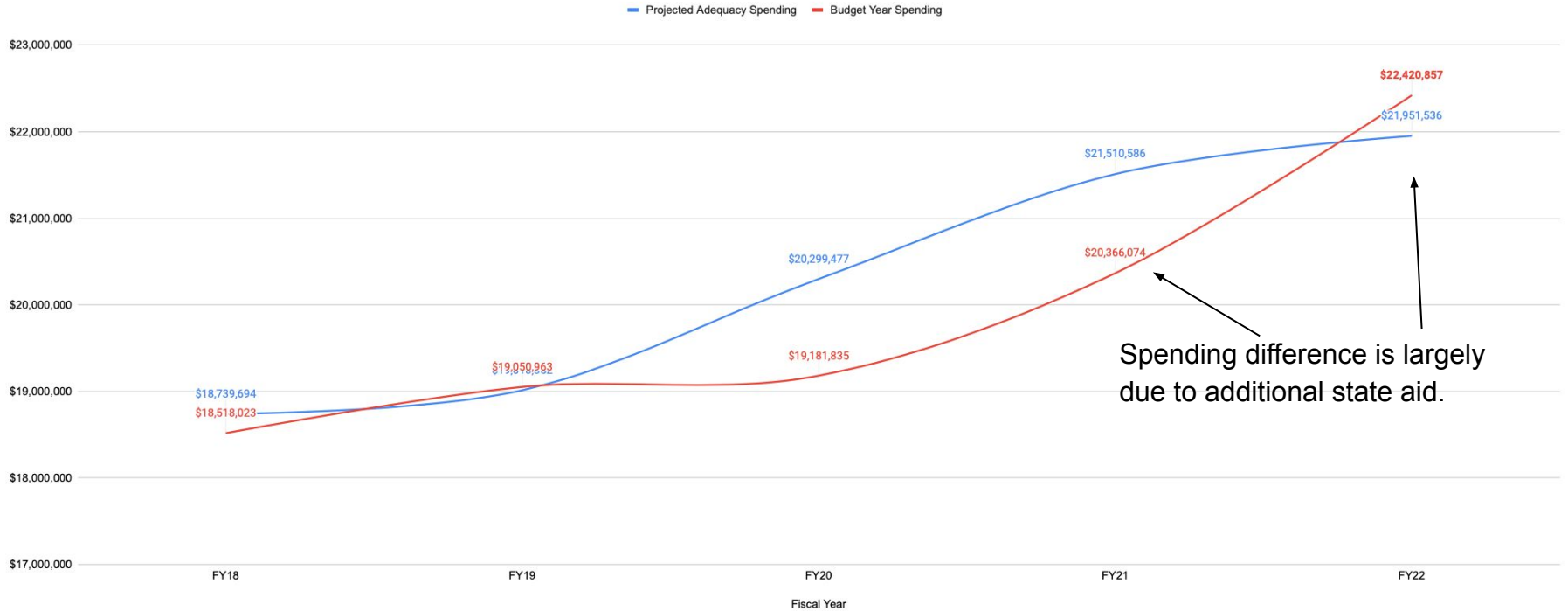
Local Fair Share and Tax Levy



Local fair share rose moderately from FY18 to FY20, dramatically for FY21, and dropped again in FY22.

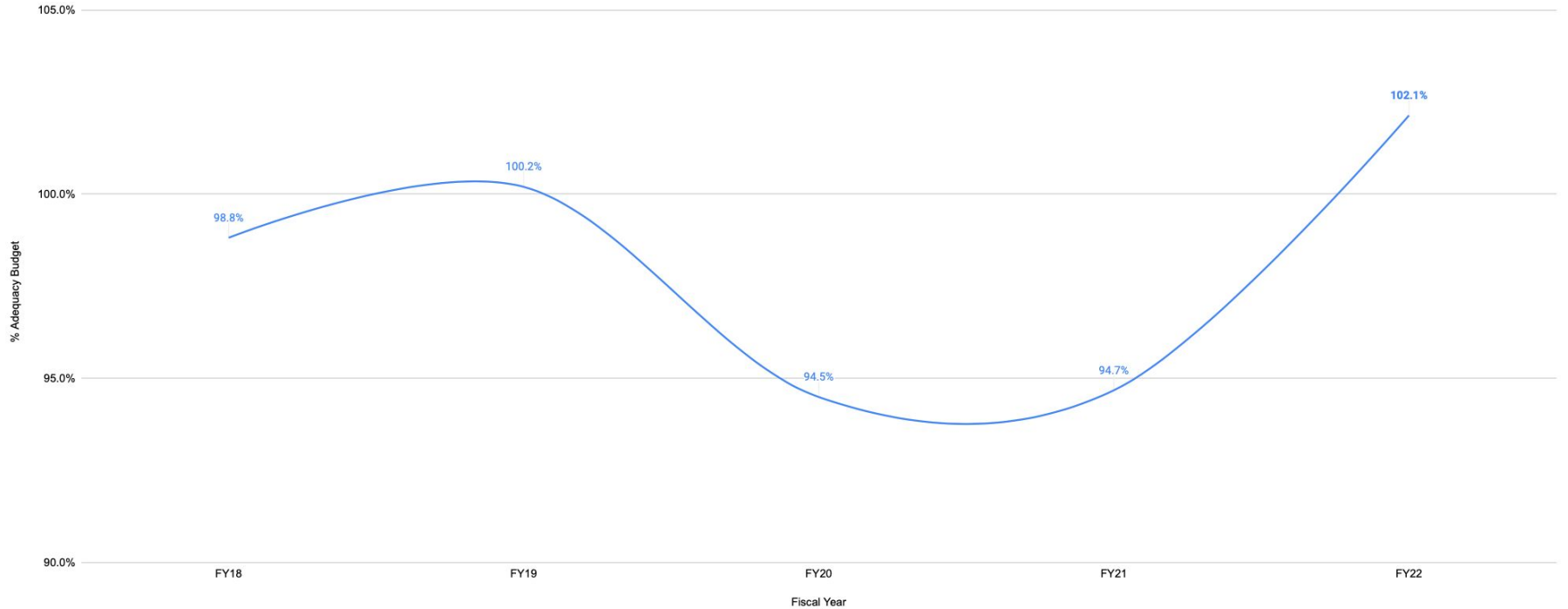
Adequacy Spending Has Been Achieved

Projected Adequacy Spending and Budget Year Spending



Adequacy Spending Gap Has Been Achieved

% Adequacy Budget vs. Fiscal Year



Projected Revenues and Expenses are Up

- Revenues as measured by local taxes, state aid, and HS tuition are currently at \$28,697,922, which is **up \$1,246,575** over FY21.
 - Local tax levy is projected to remain flat.
 - State aid is up \$2,052,073.
 - HS tuition is down \$560,632.
- Expenses are currently at \$29,595,004, leaving **a shortfall of \$897,082.**

Possible Revenue Enhancements

- Request deferment of 50% of the FY20 adjusted tuition payment to FY23 to **increase revenues by \$310,662**.
 - This request has already been made to the sending district administrations for consideration by their boards of education.
 - An approved deferral would still reduce the tuitions paid by Andover and Green to Newton compared to FY21.
- Budget **\$250,000 in fund balance** from FY21.

Selected Expense Increases

- Out-of-District Tuitions (\$234,801)
- ESIP Lease Purchase Principal & Interest (\$178,591)
- Negotiated Salaries and Benefits (\$175,012)*
- PERS and FICA Contributions (\$105,089)
- New Middle School Health Teaching Position (\$85,000)
- New ESL Teaching Position (\$85,000)

** does not include unsettled contracts*

Possible Expense Reductions

- No cuts have been made to the expenditure budget yet.
- Purchase some budgeted items in FY21.
 - Capitalized Tech Supplies/Hardware (\$300,947)
 - Tech Applications/Software (\$122,169)
 - Maintenance Vehicles (\$124,274)
- Reduce instructional program increases by 25% (\$160,975)
- Reduce non-instructional increases by 25% (\$21,056)